

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
CITY OF EDWARDSVILLE, KANSAS
DECEMBER 31, 2016

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and City Council
City of Edwardsville, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Edwardsville, Kansas, as of and for the year ended December 31, 2016, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note B; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note B of the financial statement, the financial statement is prepared by the City of Edwardsville, Kansas, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note B and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Edwardsville, Kansas, as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Edwardsville, Kansas, as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note B.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis of receipts, expenditures, and unencumbered cash balances (basis financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedules 1 and 2 as listed in the accompanying contents page) are presented for analysis and are not a required part of the basis financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note B.

Wendling Nae Nelson & TAD LLC

Topeka, Kansas

May 30, 2017

The accompanying notes are an integral part of this statement.

CITY OF EDWARDSVILLE, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2016

NOTE A - REGULATORY BASIS FUND TYPES

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds comprise the financial activities of the City for 2016.

Governmental funds:

General fund - to account for all unrestricted resources except those required to be accounted for in other funds or account groups.

Special purpose funds - to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Debt service fund - to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt.

Capital improvement funds - to account for the acquisition or construction of major capital assets.

Business funds - funds financed in whole or in part by fees charged to users of goods or services.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

1. Financial reporting entity

The City of Edwardsville, Kansas, was incorporated on June 28, 1915, as a third-class city. In 2008, the City was designated a second-class city. The City operates under a Mayor-Council form of government with a City Administrator and provides the following services as authorized by its charter: public safety (police and fire), highway and street maintenance, sanitation, culture/recreation, public improvements, planning and zoning and general administrative services.

These financial statements present the City of Edwardsville (the primary government). The reporting entity has no separate component units.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

2. Basis of accounting

Regulatory basis of accounting and departure from accounting principles
generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

3. Budgetary control and encumbrances

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1.
- b. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
- c. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There was one amendment to the budget for the year ended December 31, 2016.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds and the following special purpose funds:

Law Enforcement Trust Fund
Cemetery Board Operating Fund
Governmental Grants Fund
Technology Fund
Capital Improvement Funds

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by other statutes, or by the use of internal spending limits established by the governing body.

4. Compensated absences

Accumulated and vested vacation leave that can be estimated, with reasonable accuracy, and is expected to be liquidated with current, available financial resources is reported as an expenditure and a fund liability of the fund that will pay it. Amounts of vested and accumulated vacation leave that are not expected to be liquidated with expendable current financial resources are reported in the long-term debt. No expenditure is reported for these amounts.

In accordance with the provisions of Governmental Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE C - DEPOSITS AND INVESTMENTS

At December 31, 2016, the City had the following investments:

<u>Type</u>	<u>Fair value</u>	<u>Rating</u>
Bank certificates of deposit	\$32,526	N/A

K.S.A. 9-1401 establishes the depositories which may be used by the City of Edwardsville. The statute requires banks eligible to hold the City of Edwardsville's funds have a main or branch bank in the county in which the City of Edwardsville is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City of Edwardsville has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City of Edwardsville's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City of Edwardsville has no investment policy that would further limit its investment choices. The rating of the City of Edwardsville's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the City of Edwardsville may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City of Edwardsville's deposits may not be returned to it. State statutes require the City of Edwardsville's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2016.

At December 31, 2016, the City of Edwardsville's carrying amount of deposits was \$3,097,856 and the bank balance was \$3,160,740. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$2,910,740 was collateralized with securities held by the pledging financial institutions' agents in the City of Edwardsville's name.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City of Edwardsville will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE D - LONG-TERM DEBT

Following is a summary of changes in long-term debt for the year ended December 31, 2015:

<u>Issue</u>	<u>Interest rates</u>	<u>Date of issue</u>	<u>Amount of issue</u>	<u>Date of final maturity</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
2008 General Obligation Bonds	3.625% - 4.00%	05-15-2008	\$1,065,000	10-01-2018	\$ 345,000	\$ -	\$ 110,000	\$ 235,000	\$ 13,800
2013 General Obligation . Refunding and Improvement Bonds	2.00% - 2.45%	05-15-2013	6,140,000	12-01-2028	5,555,000		700,000	4,855,000	112,900
2015 General Obligation Bonds	3.00%	08-12-2015	1,535,000	12-01-2030	1,535,000		100,000	1,435,000	59,993
2016 Temporary Notes	1.25%	05-12-2016	1,215,000	12-01-2019		1,215,000		1,215,000	8,395
Capital lease	2.40%	05-29-2013	68,143	01-29-2016	22,060		22,060		535
Capital lease	2.85%	01-23-2014	78,364	06-23-2016	26,426		26,426		763
Capital lease	2.65%	02-26-2014	252,800	07-26-2019	206,863		49,681	157,182	5,549
Capital lease	2.95%	07-29-2014	26,497	07-29-2016	8,830		8,830		264
Capital lease	2.60%	11-24-2014	99,776	01-24-2017	74,209		36,623	37,586	1,953
Capital lease	3.03%	01-14-2015	355,158	07-31-2021	304,694		47,069	257,625	9,232
Capital lease	2.65%	10-16-2015	48,100	01-16-2019	48,100		12,263	35,837	321
Capital lease	2.50%	11-13-2015	62,778	01-30-2018	62,778		21,224	41,554	335
Capital lease	2.60%	12-02-2015	128,752	10-03-2019	128,752		31,367	97,385	2,797
Capital lease	2.75%	11-23-2016	118,563	01-23-2019		118,563		118,563	
Total long-term debt					<u>\$8,317,712</u>	<u>\$1,333,563</u>	<u>\$1,165,543</u>	<u>\$8,485,732</u>	<u>\$216,837</u>

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE D - LONG-TERM DEBT - Continued

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year							
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022-2026</u>	<u>2027-2031</u>	<u>Total</u>
Principal								
General Obligation Bonds	\$ 945,000	\$ 970,000	\$ 875,000	\$ 890,000	\$ 905,000	\$1,545,000	\$395,000	\$6,525,000
Temporary notes			1,215,000					1,215,000
Capital leases	<u>241,129</u>	<u>206,404</u>	<u>190,514</u>	<u>53,039</u>	<u>54,646</u>			<u>745,732</u>
Total principal	<u>1,186,129</u>	<u>1,176,404</u>	<u>2,280,514</u>	<u>943,039</u>	<u>959,646</u>	<u>1,545,000</u>	<u>395,000</u>	<u>8,485,732</u>
Interest								
General Obligation Bonds	150,540	128,140	105,090	86,290	67,190	149,900	24,318	711,468
Temporary notes	15,188	15,188	15,187					45,563
Capital leases	<u>18,070</u>	<u>14,219</u>	<u>8,550</u>	<u>3,263</u>	<u>1,656</u>			<u>45,758</u>
Total interest	<u>183,798</u>	<u>157,547</u>	<u>128,827</u>	<u>89,553</u>	<u>68,846</u>	<u>149,900</u>	<u>24,318</u>	<u>802,789</u>
Total principal and interest	<u>\$1,369,927</u>	<u>\$1,333,951</u>	<u>\$2,409,341</u>	<u>\$1,032,592</u>	<u>\$1,028,492</u>	<u>\$1,694,900</u>	<u>\$419,318</u>	<u>\$9,288,521</u>

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE E - INTERFUND OPERATING TRANSFERS

A summary of interfund operating transfers is as follows:

From	To	Regulatory Authority	Amount
Special Sales Tax	Debt Service Fund	K.S.A. 12-825d	\$ 100,000
Sewer Maintenance Fund	Debt Service Fund	K.S.A. 12-825d	65,000
Solid Waste Fund	General Fund	K.S.A. 12-825d	13,600
Special Highway Fund	Debt Service Fund	K.S.A. 79-3425g	115,000
General Fund	Capital Improvement Fund-Trail Project	K.S.A. 12-1,118	
Capital Improvement Fund- 2006 GO Bond Issue	Debt Service Fund	K.S.A. 10-131	37,825
Capital Improvement Fund- 2006 GO Bond Issue	Capital Improvement Fund-Kansas Avenue Project	K.S.A. 12-1,118	13,219
Capital Improvement Fund- 2006 GO Bond Issue	Capital Improvement Fund-102nd Street Project	K.S.A. 12-1,118	54,096
Capital Improvement Fund- 2006 GO Bond Issue	Capital Improvement Fund-LTC Sewer Project	K.S.A. 12-1,118	748,772
General Fund	Cemetery Operating Fund		15,000
			<u>\$1,162,512</u>

NOTE F - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Statutory violations

Under Kansas statutes, expenditures are mandated to be controlled so that no indebtedness is created in excess of budgeted limits. Management is not aware of any statutory violations.

NOTE G - RETIREMENT PLANS

Plan description. The City of Edwardsville, Kansas, participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE G - RETIREMENT PLANS - Continued

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6 percent of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15 percent of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3, and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1 percent contribution rate through March 31, 2016, with a 0 percent moratorium until June 30, 2017, for the Death and Disability Program) and the Statutory contribution rate was 9.18 percent for KPERS and 20.42 percent for KP&F for the fiscal year ended December 31, 2016. Contributions to the pension plan from the city of Edwardsville, Kansas, were \$49,019 for KPERS and \$408,600 for KP&F for the year ended December 31, 2016.

Net pension liability

At December 31, 2016, the City of Edwardsville, Kansas' proportionate share of the collective net pension liability reported by KPERS was \$521,040 and \$3,140,725 for KP&F. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The City of Edwardsville, Kansas' proportion of the net pension liability was based on the ratio of the City of Edwardsville, Kansas' contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE H - LITIGATION

The City is involved in legal proceedings arising from the ordinary course of City activities. While these proceedings may have future financial effect, management believes that their ultimate outcome will not be material to the basic financial statements.

NOTE I - CONDUIT DEBT OBLIGATIONS

The City issued Industrial Revenue Bonds for the capital needs of unrelated parties. The principal and interest payments on the bonds are payable solely from funds generated from leases, etc., from such unrelated parties. Accordingly, the bonds and related leases, etc., are not recorded in the City's accounts. As of December 31, 2016, there were thirteen series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$80.5 million.

NOTE J - OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable age adjusted premium, which is expected to cover the costs of the retiree benefits, thus, there is no cost to the City.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

NOTE K - COMPENSATED ABSENCES

The City's compensated absence policy permits employees to be paid for accumulated sick leave as follows:

- Employees who have completed five years of continuous service with the City and resign or retire from the City in good standing will be eligible for a payout of their earned but unused sick leave bank of 20 percent of the balance up to a maximum of 320 hours.
- Police and Fire employees certified by the City Manager on January 1, 2015, as having been employed with the City fifteen years or more and who retire or resign in good standing will receive sick leave payout of their full accumulation of sick leave hours not to exceed 720 hours.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2016

NOTE L - SUBSEQUENT EVENTS

Subsequent events were evaluated through May 30, 2017, which is the date the financial statements were available to be issued.

REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EDWARDSVILLE, KANSAS
 SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 (BUDGETED FUNDS ONLY)
 Year ended December 31, 2016

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustments for qualifying budget credits</u>	<u>Total for budget comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
Governmental type funds					
General	\$6,016,483	\$ -	\$6,016,483	\$5,187,590	\$828,893
Special revenue funds					
Cemetery Levy	-		-	-	-
Special Highway	225,000		225,000	192,920	32,080
Sewer Maintenance	98,825		98,825	93,366	5,459
Solid Waste	189,600		189,600	184,671	4,929
Special Parks and Recreation	10,863		10,863	10,863	-
Economic Development	141,626		141,626	131,243	10,383
Cash Bond	75,200		75,200	46,531	28,669
Special Sales Tax	281,148		281,148	236,203	44,945
Debt service fund					
Bond and interest	1,142,103		1,142,103	1,142,103	-

CITY OF EDWARDSVILLE, KANSAS

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Property taxes	\$1,775,031	\$1,842,828	\$ (67,797)
Delinquent taxes	24,172	36,857	(12,685)
Auto ad valorem taxes	136,638	157,758	(21,120)
Local retail sales taxes	1,368,200	1,354,440	13,760
Payment in lieu of taxes	293,425	244,617	48,808
Franchise fees	489,504	526,751	(37,247)
Licenses, permits, and fees	104,208	101,400	2,808
Gaming revenue	401,357	413,722	(12,365)
Ambulance	160,310	174,000	(13,690)
Municipal court	336,657	354,930	(18,273)
Fees for services	35,296	51,015	(15,719)
Interest	2,636	2,400	236
Miscellaneous	<u>132,300</u>	<u>35,000</u>	<u>97,300</u>
Total cash receipts	<u>5,259,734</u>	<u>5,295,718</u>	<u>(35,984)</u>
Expenditures			
General administration	893,263	1,624,902	731,639
Fire department	1,732,917	1,697,586	(35,331)
Police department	1,855,187	1,932,045	76,858
Court	231,851	204,607	(27,244)
Public works	269,963	349,425	79,462
Parks and recreation	167,377	173,918	6,541
Community Center	<u>22,032</u>	<u>19,000</u>	<u>(3,032)</u>
Total expenditures	<u>5,172,590</u>	<u>6,001,483</u>	<u>828,893</u>
Receipts over (under) expenditures	<u>87,144</u>	<u>(705,765)</u>	<u>792,909</u>
Other financing sources (uses)			
Transfers in	13,600	13,600	
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	
Total other financing sources (uses)	<u>(1,400)</u>	<u>(1,400)</u>	<u>-</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	85,744	(707,165)	792,909
Unencumbered cash balance beginning of year	<u>732,044</u>	<u>707,165</u>	<u>24,879</u>
Unencumbered cash balance end of year	<u>\$ 817,788</u>	<u>\$ -</u>	<u>\$817,788</u>

CITY OF EDWARDSVILLE, KANSAS
CEMETERY LEVY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Miscellaneous	\$ -	\$ -	\$ -
Expenditures			
Cemetery board	_____	_____	_____
Receipts over (under) expenditures	-	-	-
Unencumbered cash balance beginning of year	<u>135</u>	<u>-</u>	<u>135</u>
Unencumbered cash balance end of year	<u>\$135</u>	<u>\$ -</u>	<u>\$135</u>

CITY OF EDWARDSVILLE, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Intergovernmental	\$205,225	\$202,225	\$ -
Expenditures			
Highways and streets	<u>77,920</u>	<u>110,000</u>	<u>32,080</u>
Receipts over expenditures	127,305	95,225	32,080
Other financing sources (uses)			
Transfers out	<u>(115,000)</u>	<u>(115,000)</u>	<u> </u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	12,305	(19,775)	32,080
Unencumbered cash balance beginning of year	<u>64,743</u>	<u>64,742</u>	<u>1</u>
Unencumbered cash balance end of year	<u>\$ 77,048</u>	<u>\$ 44,967</u>	<u>\$32,081</u>

CITY OF EDWARDSVILLE, KANSAS
 SEWER MAINTENANCE FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Charges for services	<u>\$112,017</u>	<u>\$109,884</u>	<u>\$2,133</u>
Expenditures			
Materials, supplies, and repairs	28,125	33,825	5,700
Bad debts	<u>241</u>	<u> </u>	<u>(241)</u>
Total expenditures	<u>28,366</u>	<u>33,825</u>	<u>5,459</u>
Receipts over expenditures	83,651	76,059	7,592
Other financing sources (uses)			
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u> </u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	18,651	11,059	7,592
Unencumbered cash balance beginning of year	<u>9,168</u>	<u>9,168</u>	<u> </u>
Unencumbered cash balance end of year	<u>\$ 27,819</u>	<u>\$ 20,227</u>	<u>\$7,592</u>

CITY OF EDWARDSVILLE, KANSAS
 SOLID WASTE FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Charges for service	<u>\$172,820</u>	<u>\$176,752</u>	<u>\$ (3,932)</u>
Expenditures			
Solid waste charges	170,586	176,000	5,414
Bad debts	<u>485</u>	<u> </u>	<u>(485)</u>
Total expenditures	<u>171,071</u>	<u>176,000</u>	<u>4,929</u>
Receipts over expenditures (expenditures over receipts)	1,749	752	997
Other financing sources (uses)			
Transfers out	<u>(13,600)</u>	<u>(13,600)</u>	<u> </u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	(11,851)	(12,848)	997
Unencumbered cash balance beginning of year	<u>51,515</u>	<u>51,515</u>	<u> </u>
Unencumbered cash balance end of year	<u>\$ 39,664</u>	<u>\$ 38,667</u>	<u>\$ 997</u>

CITY OF EDWARDSVILLE, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Intergovernmental	\$ -	\$ -	\$ -
Expenditures			
Culture and recreation	<u>10,863</u>	<u>10,863</u>	_____
Receipts over expenditures (expenditures over receipts)	(10,863)	(10,863)	
Unencumbered cash balance beginning of year	<u>10,863</u>	<u>10,863</u>	_____
Unencumbered cash balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF EDWARDSVILLE, KANSAS
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Miscellaneous	\$155,500	\$155,500	\$ -
Expenditures			
Economic development	<u>131,243</u>	<u>141,626</u>	<u>10,383</u>
Receipts over expenditures (expenditures over receipts)	24,257	13,874	10,383
Unencumbered cash balance beginning of year	<u>310,022</u>	<u>310,022</u>	_____
Unencumbered cash balance end of year	<u>\$334,279</u>	<u>\$323,896</u>	<u>\$10,383</u>

CITY OF EDWARDSVILLE, KANSAS
 CASH BOND FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Municipal Court	\$57,361	\$80,000	\$ (22,639)
Expenditures			
Court	<u>46,531</u>	<u>75,200</u>	<u>28,669</u>
Receipts over expenditures (expenditures over receipts)	10,830	4,800	6,030
Unencumbered cash balance beginning of year	<u>14,058</u>	<u>19,497</u>	<u>(5,439)</u>
Unencumbered cash balance end of year	<u>\$24,888</u>	<u>\$24,297</u>	<u>\$ 591</u>

CITY OF EDWARDSVILLE, KANSAS
SPECIAL SALES TAX FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance favorable (unfavorable)</u>
Cash receipts			
Local retail sales taxes	\$287,674	\$285,565	\$ 2,109
Miscellaneous			
Total cash receipts	<u>287,674</u>	<u>285,565</u>	<u>2,109</u>
Expenditures			
Fire department	127,046	130,088	3,042
Public works		100,000	100,000
Parks and recreation	<u>9,157</u>	<u>51,060</u>	<u>41,903</u>
Total expenditures	<u>136,203</u>	<u>281,148</u>	<u>144,945</u>
Receipts over expenditures (expenditures over receipts)	<u>151,471</u>	<u>4,417</u>	<u>147,054</u>
Other financing sources (uses) Transfers out	<u>(100,000)</u>		<u>(100,000)</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	51,471	4,417	47,054
Unencumbered cash balance beginning of year	<u>67,306</u>	<u>67,306</u>	
Unencumbered cash balance end of year	<u>\$118,777</u>	<u>\$ 71,723</u>	<u>\$ 47,054</u>

CITY OF EDWARDSVILLE, KANSAS
DEBT SERVICE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Property taxes	\$ 544,741	\$ 544,741	\$ -
Delinquent taxes	7,210	7,210	
Auto ad valorem taxes	41,197	41,197	
Benefit district assessments	123,800	123,800	
Payment in lieu of taxes	<u>89,850</u>	<u>89,849</u>	<u>1</u>
Total cash receipts	<u>806,798</u>	<u>806,797</u>	<u>1</u>
Expenditures			
Principal - bonds	910,000	910,000	
Interest and commissions	<u>194,278</u>	<u>194,278</u>	
Total expenditures	<u>1,104,278</u>	<u>1,104,278</u>	<u>-</u>
Receipts over expenditures (expenditures over receipts)	<u>(297,480)</u>	<u>(297,481)</u>	<u>1</u>
Other financing sources (uses)			
Proceeds - temporary notes	38,770	38,770	
Other cost of temporary note issuance	(37,825)	(37,825)	
Transfers in	<u>317,825</u>	<u>318,725</u>	
Total other financing sources	<u>318,770</u>	<u>318,770</u>	<u>-</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	21,290	21,289	1
Unencumbered cash balance beginning of year	<u>34,171</u>	<u>19,924</u>	<u>14,247</u>
Unencumbered cash balance end of year	<u>\$ 55,461</u>	<u>\$ 41,213</u>	<u>\$14,248</u>

CITY OF EDWARDSVILLE, KANSAS
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$1,654
Expenditures	
Public safety	<u>2,288</u>
Receipts over expenditures	
(expenditures over receipts)	(634)
Unencumbered cash balance	
beginning of year	<u>819</u>
Unencumbered cash balance	
end of year	<u><u>\$ 185</u></u>

CITY OF EDWARDSVILLE, KANSAS
CEMETERY BOARD OPERATING FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Fees for services	\$18,200
Interest	<u>117</u>
Total cash receipts	<u>18,317</u>
Expenditures	
Cemetery board	<u>15,277</u>
Total expenditures	<u>15,277</u>
Receipts over expenditures (expenditures over receipts)	3,040
Other financing sources (uses) Transfers in	<u>15,000</u>
Receipts and other uses over expenditures (expenditures and other uses over receipts)	18,040
Unencumbered cash balance beginning of year	<u>42,636</u>
Unencumbered cash balance end of year	<u>\$60,676</u>

CITY OF EDWARDSVILLE, KANSAS
GOVERNMENTAL GRANTS FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Intergovernmental	\$ 34,314
Expenditures	
Public safety	<u> </u>
Receipts over expenditures	
(expenditures over receipts)	34,314
Unencumbered cash balance	
beginning of year	<u>(34,313)</u>
Unencumbered cash balance	
end of year	<u><u>\$ 1</u></u>

CITY OF EDWARDSVILLE, KANSAS
TECHNOLOGY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ 6,374
Expenditures	
Public safety	<hr/>
Receipts over expenditures	
(expenditures over receipts)	6,374
Unencumbered cash balance	
beginning of year	<hr/> 11,524
Unencumbered cash balance	
end of year	<u>\$17,898</u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - 2006 GO BOND ISSUE
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2016

Cash receipts	
Interest	\$ 4,147
Other	<u>5</u>
Total cash receipts	<u>4,152</u>
Expenditures	
Other	<u>20</u>
Total expenditures	<u>20</u>
Receipts over expenditures (expenditures over receipts)	<u>4,132</u>
Other financing sources (uses)	
Proceeds - temporary notes	1,176,230
Original issue premium on temporary notes	10,291
Other costs of temporary note issuance	(4,070)
Transfers out	<u>(853,913)</u>
Total other financing sources (uses)	<u>328,538</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	332,670
Unencumbered cash balance beginning of year	<u>1,003,671</u>
Unencumbered cash balance end of year	<u><u>\$1,336,341</u></u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - KANSAS AVENUE PROJECT
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ <u> -</u>
Expenditures	
Capital improvements	<u>13,219</u>
Receipts over expenditures	
(expenditures over receipts)	(13,219)
Other financing sources	
Transfers in	<u>13,219</u>
Receipts and other sources over	
expenditures (expenditures and	
other uses over receipts)	
Unencumbered cash balance	
beginning of year	<u> </u>
Unencumbered cash balance	
end of year	<u><u>\$ <u> -</u></u></u>

CITY OF EDWARDSVILLE, KANSAS
CAPITAL IMPROVEMENT FUND - INSPECTIONS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ -
Expenditures	
Professional services	_____
Receipts over expenditures	
(expenditures over receipts)	-
Unencumbered cash balance	
beginning of year	<u>3,437</u>
Unencumbered cash balance	
end of year	<u><u>\$3,437</u></u>

CITY OF EDWARDSVILLE, KANSAS
CAPITAL IMPROVEMENT FUND - EAST SIDE IMPROVEMENTS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ -
Expenditures	
Capital improvements	<u> </u>
Receipts over expenditures	
(expenditures over receipts)	-
Unencumbered cash balance	
beginning of year	<u>5,000</u>
Unencumbered cash balance	
end of year	<u><u>\$5,000</u></u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - LTC SEWER PROJECT
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ -
Expenditures	
Capital improvements	<u>748,772</u>
Receipts over expenditures	
(expenditures over receipts)	(748,772)
Other financing sources	
Transfers in	<u>748,772</u>
Receipts and other sources over	
expenditures (expenditures and	
other uses over receipts)	-
Unencumbered cash balance	
beginning of year	<u> </u>
Unencumbered cash balance	
end of year	<u><u>\$ -</u></u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - 102ND STREET
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2016

Cash receipts	
Miscellaneous	\$ <u> -</u>
Expenditures	
Capital improvements	<u>54,096</u>
Receipts over expenditures	
(expenditures over receipts)	(54,096)
Other financing sources	
Transfers in	<u>54,096</u>
Receipts and other sources over	
expenditures (expenditures and	
other uses over receipts)	-
Unencumbered cash balance	
beginning of year	<u> </u>
Unencumbered cash balance	
end of year	<u><u>\$ <u> -</u></u></u>